

**Agency Policy Development**

Policy Area: Accounts Receivable	Effective Date: 07/19/2010
Policy Sub Area: NA	Last Revision Date: NA
Authority: G. S. 147-86.21	Policy Owner/Division: Statewide Accounting

Policy

State agencies must establish internal policies and procedures for the collection of accounts receivable consistent with statewide accounts receivable policies and procedures adopted by the State Controller and the following statutory requirements:

- State agencies are responsible for collecting accounts receivable owed. G.S. § 147-86.21
- Internal policies and procedures should address the management and collection of accounts receivable and be consistent with statewide policies and procedures adopted by the State Controller.
- Statewide policies and procedures shall ensure that a state agency takes all cost-effective and appropriate actions to collect accounts receivable owed to it.
- State agencies must submit its internal policies and procedures to the State Controller for review.
- State agencies shall conform policies and procedures to the statewide policies and procedures in circumstances where the State Controller finds that no special circumstances justify an inconsistency. State agency internal policies and procedures shall reflect special circumstances determined by the State Controller that justify any inconsistencies.
- State agencies must consult with the Joint Legislative Commission on Governmental Operations before implementing any program that allows accounts receivable to be payable by electronic payment.
- State agencies shall charge interest on a past due accounts receivable and shall add to a past-due account receivable a late payment penalty.
- State agencies shall collect from clients and debtors minimum identifying information as prescribed by the State Controller, shall use all available debtor information to skip trace debtors, and upon request shall give access to the State Controller to debtor information including on-line electronic access.
- The State Controller shall implement a statewide setoff debt collection program to provide for collection of accounts receivable by setoff against payments the State owes to debtors, other than payments of tax refunds and payroll.
- State agencies shall provide the State Controller a complete report of the agency's accounts receivable at least quarterly or more frequently as required by the State Controller.
- Agencies may adopt rules to implement requirements of the Statewide Accounts Receivable Program.

Agency internal policies and procedures must be written and approved by the agency's chief financial officer and must include adequate internal control to ensure compliance with statewide accounts receivable policies and procedures and statutory requirements.

When requested by the State Controller or when significant changes to existing internal policies and procedures occur, agencies will submit accounts receivable policies and procedures to the State Controller for examination and determination of consistency with statewide policies and procedures. The State Controller will discuss with the agency any inconsistency determined with the agency. Agencies must document in writing to the State Controller special circumstances which may justify an inconsistency. If after consultation with the Office of the Attorney General, the State Auditor finds that a special circumstance does not exist, the state agency will conform it's policies and procedures accordingly. If the State Controller finds a special circumstance exists, the state agency will reflect the special circumstance in its policies and procedures.

Procedures

NA

Accounting Guidance

NA

Related Documents (Memos/Forms)

NA

Revision History

Date	Description
07/01/2005	